Attachment #2

MENTAL HEALTH AND DISABILITY SERVICES COMMISSION
September 20, 2012, 9:30 am to 3:00 pm
United Way Conference Center, Room F
1111 9th Street, Des Moines, Iowa
MEETING MINUTES

MHDS COMMISSION MEMBERS PRESENT:

Neil Broderick
Lynn Crannell
Richard Crouch
Jill Davisson
Representative Dave Heaton
Richard Heitmann (by phone)
Chris Hoffman (by phone)
David Hudson
Zvia McCormick
Laurel Phipps
Deb Schildroth
Patrick Schmitz
Susan Koch-Seehase
Dale Todd
Suzanne Watson
Gano Whetstone
Jack Willey

MHDS COMMISSION MEMBERS ABSENT:

Senator Merlin Bartz
Lynn Grobe
Senator Jack Hatch
Representative Lisa Heddens
Gary Lippe

OTHER ATTENDEES:

Theresa Armstrong	MHDS, Bureau Chief, Community Serv. & Planning
Robert Bacon	U of Iowa Center for Disabilities and Development
Neil Bock	Carroll County Supervisor
Bob Bartles	Hope Haven
Mark E. Beardmore	Carroll County Board of Supervisors
Jess Benson	Legislative Services Agency
Lisa Bethune	Sac and Ida County CPC
Teresa Bomhoff	Iowa Mental Health Planning Council/NAMI
Diane Diamond	DHS Targeted Case Management
Deb Dixon	Iowa Department of Inspections and Appeals
Marissa Eyanson	Easter Seals
Linda Hinton	Iowa State Association of Counties
Sandi Hurtado-Peters	Iowa Department of Management
Karen Hyatt	MHDS, Community Services & Planning
Ken Hyndman	Des Moines County
Julie Jetter	DHS, MHDS Community Services & Planning
John Hager	Parent from Burlington, Iowa
Liz O'Hara	U of Iowa Center for Disabilities & Development
Leisa Mayer	Calhoun County CPC Administrator
Paul Merten	Buena Vista County Supervisor
Charles Palmer	Director, Iowa Department of Human Services

John Pollak	Legislative Services Agency
Natasha Retz	Brain Injury Alliance of Iowa
James Rixner	Siouxland Mental Health Center
Joe Sample	Iowa Department on Aging
Rick Shults	DHS, Administrator MHDS Division
Deb Eckerman Slack	ISAC County Case Management Services
Jennifer Vitko	Wapello County CPC Administrator
Ryanne Wood	Lee County CPC Administrator

WELCOME AND CALL TO ORDER

Commission members reviewed a summary of the proposed changes to the Des Moines County Management Plan from 9:30 a.m. to 9:45 a.m. Jack Willey called the meeting to order at 9:45 a.m. and led introductions. No conflicts of interest were identified for this meeting.

APPROVAL OF MINUTES

Patrick Schmitz made a motion to approve minutes of the August 16, 2012 meeting as presented. Lynn Crannell seconded the motion. Deb Schildroth suggested adding a clarification on Page 7, explaining that the Commission cannot amend administrative rules that are presented to them for consideration; they can only approve or reject them as written. The motion was amended to include the clarification. The motion passed unanimously.

COUNTY UPDATE

Julie Jetter presented a short update on the transition activities of counties. Julie and Robyn Wilson have been working with counties on regional and financial issues. She indicated that the information presented is just a snapshot in time and that the situation changes almost daily. This is the same information that was shared with the Transition Committee at their most recent meeting.

<u>Regional Formation</u>:

- 96 counties are considering forming 15 regions
- 1 county is considering exemption from joining a region
- The size of the regions being considered is 2 to 18 counties
- The population ranges from are 36,900 to 405,177
- 2 regions would be over 400,000
- 3 regions would be from 200,000 to 300,000
- 4 regions would be from 100,000 to 200,000
- 6 regions would be under 100,000
- 1 region has sent in a formal letter of intent

Financial Status:

- Most financial issues would have occurred with or without redesign
- Robyn and Julie have visited 85 counties
- They have contacted another 8 that said they are fine
- They have not heard from 6 others
- 60 of the 93 counties they have heard from are okay financially for Fiscal Year 2013
- 4 have short term issues and should be able to pay their bills but will have problems with cash flow
- 29 have more long term financial issues

DES MOINES COUNTY MANAGEMENT PLAN

Ken Hyndman, Des Moines County CPC Administrator, shared a narrative and budget figures that the Commission members reviewed prior to the meeting, and explained:

- These are the first proposed changes to the Des Moines County Plan in five years
- The county held two public hearings, one in June and one on September 11
- The plan revisions were approved by the County Board of Supervisors
- They also held a well-attended public meeting on mental health reform on August 30
- Many of the proposed changes are more restrictive to consumers

Income Eligibility:

- Financial eligibility of 200% FPL (Federal Poverty Level) is dropped to 150% FPL, which is consistent with the new eligibility standards of Redesign
- There have been 3 people in that category in the last 3 months
- It is estimated that 18 people per year may be ineligible because of income
- Most have been seeking outpatient services
- The projected annual savings is estimated to be about $41,670

Resource Limits:

- Old limits were $5000 per person and $7000 per household
- New limits are $2000 per person and $3000 per household
- Know of one person who is over new limits and will be affected
- Estimate six people per year may be affected
- The projected annual savings is estimated to be about $13,890

Voluntary Inpatient Hospitalization Services:

- Will no longer be funded by the county MHDD fund
- Court ordered hold and involuntary hospitalization will still be funded
- Expects people will just be switched over to 48 hour holds
- One request was placed on a waiting list
- The projected annual savings is estimated to be about $4275

Developmental Disability Services:

- Will no longer be funded by the county MHDD fund
- Notices have been sent out and there will be a 3 month transition period
- People are being encouraged to move to other services
- Four people have been receiving funding for DD
- One has moved on to competitive employment and no longer needs job coaching services
- Two are receiving residential services; those have been extended for one year to prevent them from becoming homeless
- The fourth person has a seasonal job that will be ending; has been tested and does not qualify for targeted case management
- The projected annual savings is estimated to be about $19,280

Sheltered Work Training Services:

- Will no longer be funded by the county MHDD fund
- Seven people who have been receiving this service have other options to consider, including pre-vocational, supported employment, day habilitation, or other HCBS programs
- Supported employment and supported community living services will still be offered
- The projected annual savings is estimated to be about $21,474

Drop-in/Day Activity Services:

- Will no longer be funded by the county MHDD fund
- The three drop-in centers will continue to receive their primary funding through day habilitation
- Four people have been receiving this service
- The projected annual savings is estimated to be about $9990

Residential Care Facilities (RCFs) and Waiver Homes:

- Will no longer be funded by the county MHDD fund
- Transition letters went out in June to people living in these settings
- They have been asked to apply for the ID Waiver, habilitation, or other Iowa Medicaid funded services
- Eighteen people have been identified who were receiving county funded services, but qualify for Medicaid funded services
- The goal is to get those 18 people targeted case management services by September 30
- People have been assured that they will not be left homeless, but the county will be working with them to get Medicaid funded services
- RCFs have been encouraged to become Waiver providers
- Des Moines County has two RCFs
    - One was 100% county funded and has just become an ID Waiver provider
    - The other is a 30-bed home, which is not a Waiver provider; there are eight people from Des Moines County living there

- The county is trying to determine how many people may qualify for the ID Waiver, habilitation services, the BI Waiver, or other Medicaid funded services
- The projected annual savings is estimated to be about $200,000
- Ken noted that the high costs of RCFs and involuntary hospitalization are the main reason the county's dollars are fully encumbered

Transportation Services:
- Will no longer be funded by the county MHDD fund
- Two people had been receiving transportation services
- Burlington Urban Services and SEIBUS (South East Iowa Bus) continue to offer Medicaid funded services and many Medicaid programs have a transportation piece
- For those who do not qualify for Medicaid, the county General Assistance program can provide bus passes
- The projected annual savings is estimated to be about $8550

Rent Subsidy:
- Will no longer be funded by the county MHDD fund
- No one is currently receiving a county rent subsidy through this funding source
- Rent subsidies are offered through General Assistance and other programs as well as HUD (Housing and Urban Development)

Prescription Medications:
- Will no longer be funded by the county MHDD fund
- People will be referred to the local Medical Assistance program or the General Assistance program
- The bulk of this expense has been for people living in other counties with legal settlement in Des Moines County; under the new residency system they will not be affected
- The projected annual savings is estimated to be about $1000

Individual or Group Therapy Services:
- Individual therapy was authorized at up to 2 sessions per month
- Group therapy has been added as an alternative to individual therapy
- Individual or group therapy will now be authorized at up to 12 sessions per year
- This is intended to create more flexibility so that more services per month are available when needed

Waiting List:
- A waiting list was started in May 2012
- Twenty-nine people are currently on the waiting list and it is growing
- All have been notified and contacted to offer other suggestions for accessing services
- Twenty-five people have asked for outpatient services
- Three people have asked for voluntary hospitalizations

- One person has asked for SCL (supported community living) services
- One person has ended up with involuntary hospitalization
- Estimating 100 new eligible persons per year, the annual cost of eliminating the waiting list would be about $231,500
- Des Moines County plans to apply for transition dollars and hopes to eliminate the waiting list

Budget Concerns:

- The loss of $2.8 million in state funds was greater than the relief from the $1 million non-federal share of Medicaid costs
- The County is holding four months of state bills for cash flow reasons
- They are waiting for provider bills to come in for this fiscal year; bills for the last fiscal year can still come in until September 30th
- Many persons with legal settlement in Des Moines County are living elsewhere and the county must pay bills for services authorized by their county of residence
- The county has granted extensions to keep people from being homeless; that additional costs must be balanced with getting more people on Medicaid funded services
- They do not know how much transition money they will get
- The goal is to get the budget balanced and all bills paid with the transition funds
- Des Moines County has been working with seven other counties on forming a region; they want to eliminate their waiting list before that happens
- On July 1st they created a separate fund for case management; a recent audit indicates the some funds from last year may have to be paid back due to overpayment for case management

Ken shared a chart of the estimated savings resulting from the proposed plan amendments. He indicated that the county anticipates having $3.2 million in revenues available, but $957,000 in bills still owed to the state will reduce that amount. He said they recognize that some additional expenses will be difficult to estimate. For example, a person who loses funding for drop-in services may be able to access supported employment services, which will cost the county more in the short term, but should result in savings over time if he can become and employed and access Medicaid through MEPD (Medicaid for Employed Persons with Disabilities). Ken said that if the county does nothing now, they will not be in a good position to move to a region and people on the growing waiting list will be too long without services. They are focusing on beginning to offer new core services while working hard to try and meet needs in a way that will get the budget in the black while working to reduce or eliminate the waiting list.

Ken explained that the budget numbers he shared are estimates and the current year numbers include Medicaid. He said the county spent $4.9 million last year by June 30 on a cash basis and there is more to accrue, plus the $957,000 in state bills that has not yet been paid, so the county spent over $5.8 million last year. $2.6 million of that amount was Medicaid and won't count in this year's budget, but Ken said that he believe if they do nothing, the expenses would be $3 million or more for this year.

He said there should be a $320,000 difference between the costs without cuts in services and the projected costs under the amended plan. Some of the numbers shown on the budget spreadsheet are highlighted; those numbers represent figures that DHS calculated as more conservative than Ken's estimates.

Questions and Discussion: Ken Hyndman responded to questions about his presentation.

Q: What will happen to people whose transportation services are cut? Do you have any idea how many people need the service and haven't applied?

A: Two people have been using county funded transportation services. Some people are getting transportation as a part of another service; services such as SCL provide transportation as well as assistance in making and keeping appointments.

Q: Have people been informed about the changes?

A: The board of supervisors has approved these changes and notices have gone out to consumers. The new plan has been posted on the website and some changes to it have been made in response to the feedback received.

Q: What was the option for the person denied voluntary hospitalization and put on the waiting list? If they got services through other sources, why were they put in a waiting list?

A: I believe that person still went to inpatient hospitalization; either the hospital used indigent funds or they went to an involuntary hospitalization. Julie Jetter noted that there are many counties that do not fund voluntary hospitalization.

Q: What is happening to the people who no longer get RCF or Waiver home funding?

A: One person with a developmental disability was living in a daily SCL home and will lose those services under this plan. The county has approved a one-year extension of the current setting and they are looking for less expensive appropriate services for that person.

Q: Is there a Plan B after the one-year extension?

A: Legislators have been asked to approve a DD Waiver; that could be a solution. If more transition funds are available or if the county finds the $957,000 owed to the state does not have to be paid, the plan can be amended to add some things back. Ken said that he thinks since the people concerned will have case managers by September 30, other appropriate residential services for them will be found within the year.

Q: Have you looked at the impact to people who will not be getting services due to the sheltered work cuts? Could they become more costly to you due to mental health needs, residential status, or other needs?

A: Some people who have been in sheltered work for a number of years were funded by the county because Medicaid would no longer pay for the service. Short term expenditures may increase as they work to get people jobs, but the county believes that in the long term, costs will go down because more people will be employed. Some may also move to activity programs or look for other natural supports if employment does not work out for them. It is an individualized decision.

Q: Are the numbers of people affected unduplicated numbers?

A: About sixty-four people will be affected by the changes. Most have case mangers that have been working with them on the transition. More people are getting outpatient services and will be affected by the change in the number of therapy visits per year; the handout does not reflect that number.

Q: How are you handling the situation where a doctor is ordering an RCF level of care? What alternatives are you offering?

A: Right now we have a waiting list for anything other than inpatient hospitalization. I am convinced that if we don't do something to change the county plan we will have that list for the next two years. Right now that is a problem. Under the new plan, we offer supported community living assistance in the home for people who are in need of it, but not the higher level of residential care facility supports unless they can access it through Medicaid.

Representative Heaton commented that he had heard during a previous meeting in Burlington that Des Moines County would be able to make it through the year financially. Julie Jetter said that DHS estimates indicate they will be very close, but should be able to make it into the next year. They will still have the opportunity to apply for transition funds. Ken Hyndman responded that county estimates indicate if they do nothing they will need $460,284.

Representative Heaton commented that they will be able to share their burden in a region. Jack Willey noted that counties joining into a region can choose to pool resources or not. He said the counties he has been working with do no plan to pool their resources. That can create an issue because the per capita property tax rates will not be equalized from county to county, so if counties do not pool their resources, some counties will have more money than before and others will not have enough. Ken also indicated that the counties he has been talking with are leaning toward not pooling their funds. Rep. Heaton said that if legislators sense that what they envisioned under redesign will collapse without pooling of funds, they will act to change the law.

Q: When did holding the Medicaid bills to the state begin?

A: In the last four months since June 30, 2012. In May, when Des Moines County started its waiting list, they made a choice not to put everyone on the waiting list, just new people requesting services and holding the state Medicaid bills. The county did not know until the legislation in May that they would not be getting state dollars in June.

Representative Heaton said that the transition fund is there, but counties are not going to be allowed to use what they owe Medicaid to access transition funds. The transition fund is to be used to provide for the people being served and allow them to go through 2013 without being put at risk and then move into the new regional structure.

Q: How did you come up with the 12 sessions for either individual or group outpatient therapy?

A: We were looking for ways to reduce but not eliminate services and thought this afforded more flexibility so people could use the 12 sessions whenever they needed them most.

Chris Hoffman commented that from a clinical viewpoint, group sessions are usually scheduled once a week and are backed up by individual sessions once every other month or so. Having people coming in for group and individual therapy on a regular basis is usually an expense that saves money in other areas; otherwise you are likely to see more hospitalizations. Chris said it can be productive to incentivize group therapy because you can see more patients that way and see them individually less often. He said he thought it would be challenging to find therapists who are willing to use group therapy on a less frequent or intermittent basis.

Q: You quoted a figure of $2.8 million in revenues lost; where does that come from?

A: That is in comparison to the state dollars the county received last year. If we were still under the old system, Des Moines County would have qualified for that amount of state dollars again this year, but when the system changed, those state funds will no longer come to the counties.

Q: You talked about moving people to supported employment. I understand that providers lose money on supported employment services and have to subsidize it. Until it is funded in a different way, won't that cost the county more?

A: Yes, it may, but it is consistent with the move toward the new core services recommendations and we believe it will save money in the long run.

Q: Are you using your county reserve in the 2013 budget?

A: Yes, the county has to have two to three months of operating capital for cash flow in order to keep providers paid. We are not spending right down to zero because if we

did, providers might have to wait several months for payment and we do not want to put them in that position.

Q: Do you have any idea what the effect of your plan changes will be on your providers?

A: The effect will be spread out over many providers. We met with every group and showed them the new plan; we don't think anyone is going to lose a lot of jobs. They were already experiencing a lot of missed therapy appointments, which they were not getting paid for; we don't think it will have a big impact.

Richard Heitmann commented that he has concerns about the employment issue and the effect the changes will have on consumers. He said he feels uncomfortable voting for a plan that redirects vocational funding to day habilitation. While he agrees that getting people into less restrictive environments is beneficial, he recognizes that work is important to consumers and helps support recovery and mental health.

Q: Is there an option for more than 12 outpatient therapy visits per year if the therapist recommends it?

A: Yes, that would be a director's exception at the discretion of the CPC.

Neil Broderick commented that no one wants to see cuts in services, but we recognize there isn't enough money to do everything. He said he appreciates that the county has attempted to take a reasoned approach to the proposed cuts, but concerns remain about how consumers will be impacted. Dale Todd commented that he is uncomfortable voting for a plan that makes significant targeted cuts to consumers.

Public Comments:

Bob Bartles, Executive Director of Hope Haven, which serves Polk County and southeast Iowa, commented:

I am asking you to vote against these changes; a lot of people we serve would be negatively impacted. You have already said a lot of what I planned to say. When mental health counseling is offered at one hour a month and people have a greater need, it is likely you will see more hospitalizations. County funding for a transportation aide will be going away. We serve a client with a tendency to become violent who needs the company of an aide to make it possible for him to travel. People with developmental disabilities or autism will have nowhere else to turn if the county does not offer services; their safety net will be gone. We are willing to accept delayed payments as a provider if it means that people will continue to get services rather than be cut off. This decision is being made on the basis of a couple of months of data; the state's analysis is different and says it is close. We don't know which is right, but don't want to see services cut until we know for sure. Legislators have come to meetings and said they will make sure money is there in the transition fund; I don't know if they will be

able to do that with new members coming on board after the election, but don't want to prematurely see people dumped from services.

John Hager, parent of an adult daughter with developmental disabilities and a seizure disorder from Burlington, commented:

Ken gave my daughter a three month extension on services; the supervisors met and they granted her another 9 month extension. I was prepared to hear that they were cutting services, but there is no funding for my daughter after June 2013 unless something changes. She spent her first 30 years at home, but my wife and I knew we could not continue to care for her forever and now are very worried about what is going to happen to her. She is 33 years old now and has been at Hope Haven for 3 years. She lives with seizures 24.7 and we really appreciate what Hope Haven has been able to do. Hope Haven is her home now. She has friends, social activities, and work there. She likes to work and make money. The services have been good for her, but I don't think she will ever be able to work without assistance. We have applied for Waivers, but are looking at a wait of 9 to 18 months. The State needs to do something to provide for people who need it. I am concerned. We don't want her in a nursing home or out on the street. We can do better. I hope the State will do something to serve people with developmental disabilities and autism. If you go out and talk to people in the system, recognize them as people, and find out about their lives, I hope you will get some insight and do something by June of next year. Don't we have an obligation to the people who need help?

Dale Todd commented that as the parent of a child with epilepsy, he understands the concerns.

Jack Willey noted that there is a tremendous concern for people with disabilities in Iowa and for adequate funding to provide the services they need. He said he believes legislators realize that these issues need to be addressed and he hopes they continue to look carefully at the budget dilemma counties are facing and the issue of pooling county resources. The Commission needs to make a recommendation to Director Palmer to approve or disapprove the Des Moines County Plan amendments.

Motion:

Neil Broderick made a motion to approve the Des Moines County Management Plan amendments are submitted. Deb Schildroth seconded the motion. Neil Broderick, Laurel Phipps, Jill Davisson, Deb Schildroth, and Zvia McCormick voted in favor. Chris Hoffman, Richard Heitmann, Susan Koch-Seehase, Suzanne Watson, Dale Todd, Gano Whetstone, Lynn Crannell, Richard Crouch, Jack Willey, and Patrick Schmitz voted against. David Hudson abstained from the vote. The motion failed on a vote of 5 for and 10 against.

MHDS UPDATE

Rick Shults updated the Commission on DHS/MHDS activities.

Transition Fund Rules – Rick said the Department appreciates the hard work of the Commission on the development of the rules and the feedback provided at the last meeting. The rules were presented to the Administrative Rules Review Committee; they did not delay implementation and adopted them immediately. Concern was expressed about services for people with developmental disabilities who do not have intellectual disabilities and there was discussion about the fiscal impact of expanding HCBS Waiver services to serve the DD population. There was also concern expressed about some of the terms and definitions and the Department will pay attention to that. Robyn Wilson and Julie Jetter have asked county CPCs to submit any questions they have and those questions will be used to develop a presentation for two statewide trainings that are scheduled for September 28 and October 1.

Counties will then have a month to complete the application process and submit their information to DHS by November 1. DHS will have time to review and analyze the applications, and make recommendations to the Legislature by December 1. The application process will gather consistent information from all counties who are requesting transition funds. They will be asked to provide information on the funding available to them, their financial obligations, and the difference between those two numbers, which will determine their need. Applications will be based on maintaining the services in county management plans on June 30, 2012. CPC administrators have received copies of the rules and the training dates and the application forms will be presented to them during the training.

Representative Heaton commented that he expects the transition funding bill to be one of the first bills passed when the session starts on January 14, but even so, it will have to be signed by the Governor and it would be unlikely that funds could be distributed until well into February.

DHS Budget – Chuck Palmer talked about the departmental budget that was presented to the DHS Council, calling it a "difficult" budget:

- It calls for a $187 million increase in Department funding
- $130 million of that is for Medicaid
- Iowa is losing about $40 million in federal Medicaid match funds because our economy is good in comparison to much of the rest of the nation (in terms of average income, unemployment rates, etc.)
- Last year's Medicaid budget was not fully funded and it will take $47 million additional funds to make it whole when the legislature returns
- There are a great many unknowns that make projecting what will happen this year and for 2014 and 2015 difficult
- The state is picking up significant increases in the non-federal share of Medicaid that the counties would have had to pay under the old system
- The budget did not address Medicaid expansion

- Those people currently covered under the Iowa Cares program will continue to be covered with or without Medicaid expansion
- The federal ACA (Affordable Care Act) has been in place for two years and a number of benefits have already been derived; as long as it is the law of the land, there will be continuing efforts
- A 2% primary provider increase goes into effect in January
- There was risk of going to a child care waiting list; money was requested to prevent that
- The request is fairly high across all departments and a lot of hard work will be done between now and December
- Unit costs per day at state facilities are being looked at
- Priorities will have to be determined
- As was illustrated by the discussion this morning, we are concerned with the consumer viewpoint and the difficult position that CPCs are in; just as they must do, we have to operate within the amount of money we have and use it in the most compassionate way possible
- The $187 million is an 11 percent increase; that is not sustainable going forward
- The Department did not go as far in recommending growth as the Commission would have liked, but added $27 million because of the addition of the Medicaid costs
- The concerns about services for people with DD and autism services are real; county funds were set up for mental health and intellectual disability services, so a policy decision on whether to go further must be made
- The DHS budget has been finalized
- The next step is the Governor's budget, which will come out at the end of December

Rick Shults explained further:

- In each of the 2014 and 2015 fiscal years, there will be a decrease in Iowa's FMAP (Federal Medical Assistance Percentage) of one percent per year
- Under the old system, that would have been picked up by the counties, but now will be paid with state dollars, which means about $40 million for the Department as a whole; about $6 million of that is for community-based mental health and disability services for 2014 and that goes up to about $11 million for 2015
- At the local level, individual counties and providers are looking at where Medicaid can be used even if it has not before, so growth is occurring there
- The State Payment Program (SPP) has provided about $12.5 million in funding for non-Medicaid services for individuals who do not have legal settlement in one of Iowa's counties
- The redesign bill established a MHDS Regional Services Fund so we will see the fading out of SPP and the same money will go instead into the regional services fund to contribute toward the county costs of non-Medicaid services as we move from legal settlement to residency
- The Commission recommended 4% growth for 2014 and 6% growth for 2015

- The growth included in the DHS budget is $2 million (or about 1.8%) for 2014 and $4 million for 2015 but there is a significant increase in the total monies being recommended for mental health and disability services
- There is also recognition that there could be an expansion of core services in the area of crisis services and there is money requested for that
- For the facilities, there are some additional requests that do not raise the amount of money available to them, but replaces carry-forward that will no longer be available with general fund money
- The bottom line is status quo for the facilities; some with and some without an inflation factor; none include salary adjustments at this point
- We may see a significant increase in general fund requests because federal funding is less; keeping facilities at status quo is therefore requiring more general fund money

A break was taken for lunch at 12:15 p.m.

The meeting resumed at 1:15 p.m.

OVERVIEW OF RULES FOR EXEMPTION FROM JOINING A REGION

Rick Shults shared a handout containing excerpts from the redesign legislation pertaining to the development of rules for exemption of counties from joining a region. Rick noted that the same information was shared at the most recent meeting of the Transition Committee.
Specific exemption criteria have been underlined with a single line. Areas that need further discussion have been underlined with a double line.

DHS has been given legislative authority to promulgate these rules on an emergency basis and they are the next set of rules MHDS will be working on. Counties need to have the rules in place so they can make their decisions about forming into regions by early next spring. MHDS has taken the direction provided by the legislation and the recommendations of the Commission's Regional Committee to begin the work.

Rick did a "walk through" of the underlined provisions [those provisions that were double underlined are shown here in italics]:

> Sec. 32(1)(b)(1) [331.438B] – The DHS Director shall exempt a county from being required to enter into a regional service system if the county furnished evidence that the county complies with the requirements in subsection 3(c), (d), (e) & (f) *and is able to provide the core services required by law to the county's residents in a manner that is as cost effective and with outcomes that are at least equal to what could be provided to the residents if the county would provide the services through a regional service system.*

More discussion is needed to determine how the Director will make those decisions.

> Sec. 32(1)(b)(2) – A county must file a written statement of intent to apply for an exemption with the department on or before May 1, 2013, and the county's exemption application must be filed with the department on or before June 30, 2013.

It was noted that this subparagraph is repealed July 1, 2013, which seems to indicate this is a one-time opportunity to apply for exemption.

> Sec. 32(1)(c) – If a county is exempted, the county and the county's board of supervisors shall fulfill all requirements under this chapter and chapter 225C for a regional service system, regional service system management plan, regional governing board, and regional administrator, and *any other provisions applicable to a region of counties providing local mental health and disability services.*

This language states that counties "shall fulfill" the listed requirements as well as "any other provisions" applicable. There will need to be more conversation to define what those other provisions may be.

Question: If only two counties wanted to form a region, would they have to apply for exemption from the requirement that a region is three or more counties?

Response from Rick: There is a specific provision for waiving the three-county requirement later in the legislative language. There has also been discussion about whether a region could be too big in terms of population and geographic distribution.

> Sec. 32(3)(c) – The region must have the capacity to provide the required core services and perform required functions.
>
> Sec. 32(3)(d) – The region must have at least one community mental health center or a federally qualified health center with providers qualified to provide psychiatric services, either directly or through contractual arrangements with mental health professionals qualified to provide psychiatric services, that is located within the region, has the capacity to provide outpatient services for the region, and is either under contract with the region or has provided documentation of intent to contract with the region to provide the services.
>
> Sec. 32(3)(e) – The region must have a hospital with an inpatient psychiatric unit or a state mental health instituted that is located in or within *reasonably close proximity* to the region, has the capability to provide inpatient services for the region, and is either under contract with the region or has provided documentation of intent to contract with the region to provide the services.

More discussion will be needed to determine what "reasonably close proximity" means.

There is also an additional requirement that the regional structure have a definitive chain of command.

> Sec. 12(6) [331.439A] – The county and the county's board of supervisors shall fulfill all requirements under this chapter for a regional service system, regional service system management plan, regional governing board, and regional administrator, and *any other provisions applicable to a region of counties providing local mental health and disability services.*

The "and" indicates that the provisions for being exempted go beyond that section, and include:

- A regional service system management plan
- An annual service and budget plan, including:
    - The region's budget and financing provisions for the next fiscal year
    - The scope of services included in addition to required core services
    - The location of the local access points for services
    - The plan for assuring effective crisis prevention, response, and resolution
    - The provider reimbursement provisions
    - Financial forecasting measures
    - The targeted case managers designated for the region
- A policies and procedures manual, including:
    - Policies and procedures for financing and delivering the services included in the plan
    - The enrollment and eligibility process
    - The method of annual service and budget plan administration
    - The process for managing utilization and access to services
    - The quality management and improvement processes
    - The risk management provisions and fiscal viability of the annual service and budget plan
    - The requirements for designation of targeted case management providers and for implementation of evidence-based models of case management that affords the choice of providers and complies with the federal requirements for conflict-free case management
    - A plan for a system of care approach
    - Measures to provide services in a decentralized manner
    - A plan for provider network formation and management
    - Service provider payment provisions
    - A process for resolving grievances
    - Measures for implementing interagency and multisystem collaboration and care coordination
- An annual report

> The qualifications of targeted case managers and other persons providing service coordination under the management plan shall be specified in rule.

The rules will also include the following relating to TCM and service coordination:

- Performance and outcome measures relating to the health, safety, work performance, and community residency of the persons receiving services
- Standards for delivery of the services
- Methodologies for complying with the requirements of this paragraph "g" which may include electronic recordkeeping or internet-based training

Sec. 12 (5) - The provisions of a regional service system management plan shall include measures to address the needs of persons who have two or more co-occurring mental health, intellectual or other developmental disability, brain injury, or substance-related disorders and individuals with specialized needs.

Sec. 34(2) [331.439D] – The accounting system and financial reporting to the department shall conform to the cost principles for state, local, and Indian tribal governments issued by the United States office of management and budget. The information shall segregate expenditures for administration, purchase of service, and enterprise costs for which the region is a service provider or is directly billing and collecting payments. . .

Sec. 15(2)(a) [331.439D] – A region shall work with service providers to ensure that services are available to residents of the region, regardless of potential payment source for the services.

Sec. 15(5) – A region shall ensure that access is available to providers of core services that demonstrate competencies necessary for all of the following:

a. Serving persons with co-occurring conditions
b. Providing evidence-based services
c. Providing trauma-informed care that recognizes the presence of trauma symptoms in persons receiving services

All of those factors will need to be looked at in developing the rules for exempting counties from joining into a regional service system. DHS expects to have a draft ready for review in the next couple of months and will probably be scheduling a time to meet with the Commission's Regional Committee during that time.

Question: Will there be an appeal process if a county request an exemption and is denied?

Response from Rick Shults: We will have to discuss that and determine what will happen in that event.

Mark Beardmore, Carroll County Board of Supervisors chair, commented: I have been a long outspoken advocate for opting out. I believe I have a unique perspective as an elected official and the father of a daughter with autism who will soon be an adult and may become part of the system. We were provided with a draft copy of the threshold criteria and overall we are fairly satisfied with it. Today I head the term "single county region" used – if a county stands alone, would it be a region? If there is an "orphan" county that is unable to find a region, could we have another county thrust upon us? I heard reference to "urban" counties – is that defined? I also heard conversation about the effects on surrounding counties of a county that chooses to stand alone. I see no negative effect on other counties unless it is the pooling of resources issue, and if counties in regions do not have to pool resources, they can negatively impact each other in much the same way. It has been discussed that one of the purposes of forming regions would be to spread risk, but just adding numbers does not necessarily mean that the risk load is greater. I hope you will put these rules on the fast track so counties have time to make this important decision.

SUBACUTE CARE FACILITIES

Rick Shults reviewed the other area where MHDS will be working on rules, for subacute care facilities for persons with serious mental illness. DHS will be working on the rules in cooperation with the Iowa Department of Inspections and Appeals (DIA).

Subacute and crisis services have been identified for years as important services that need more development in Iowa. Much work in the redesign effort has gone into addressing both facility-based and community-based services in these areas.
Rick shared a handout with excerpts from the part of the redesign legislation that speaks to the expectation of what rules for subacute facility-based services will look like, and discussed a few specific provisions:

- Page 5 (4.c.1-5) defines "subacute mental health services."
- Page 1 shows the definitions of terms related to subacute mental health services
- Page 1, (11) defines "subacute care facility" as an institution, place, building, or agency with restricted mean of egress providing subacute mental health services for a period exceeding twenty-four consecutive hours to persons in need of the services.

The rules will need to cover:

- The nature of the provision of subacute facility-based services
- The framework for what facilities will look like
- How facilities will be inspected

DHS will be working with DIA to take the statutory language and flesh it out into regulatory language. As these services are being developed, we are limited to contracting for 50 beds to be disbursed statewide. There are directives for DHS to work with IDPH and DIA on appropriate definitions for community-based subacute and crisis services as well. The rules for facility-based subacute care will not come before the Commission for approval because they will go through the DIA rulemaking process

rather than the DHS rulemaking process, but they will be some of the next rules MHDS will be working to develop. MHDS will also be revisiting the community mental health center and Chapter 24 rules to bring them up to date.

REDESIGN WORKGROUPS

Transition Committee – Patrick Schmitz reported, indicating that the Transition Committee had received the county update report that Julie presented this morning and has discussed the county exemption issues that had also been discussed today.

Representative Heaton said the group discussed the use of transition fund dollars and whether or not they could be applied to money owed to the Department for Medicaid. It was decided that they could not be used for that purpose. Counties could use the amounts they spent on services, whether Medicaid or non-Medicaid, to make their request for transition fund dollars, but the actual money owed to the state would not be forgiven by the transition fund.

Deb Schildroth commented that during the technical assistance visits, counties were told to withhold payments to the state when necessary for cash flow purposes, but that they will not be able to use transition fund money to pay their state Medicaid bills. Holding state bills is not a practice. Counties have been receiving property tax relief dollars in August each year, and that money would carry them until their property tax dollars come in a couple months later. Starting this year, they no longer receive the property tax relief dollars, so they are experiencing short term cash flow issues until their fall property tax levies are collected.

Providers bill Medicaid and most bills are paid quickly if they are "clean" and correct, then, in another set of transactions, those amounts are accumulated and the bill goes to the county for their share. That second step will be eliminated with the state taking over responsibility for the payment of the non-federal share of Medicaid.

Patrick noted that the group had agreed that "contiguous" means the counties in a region have to touch, although it may only be at a corner.

Jack Willey said that last Monday night the five-county region that Jackson County is part of had a meeting. The five counties form the 7th Judicial District. All five of the county boards of supervisors met and signed a formal agreement. The meeting was covered by the Clinton Herald and the Muscatine Journal as well as local TV stations. Jack said the meeting went well, but there are concerns about pooling resources.

Judicial Workgroup – Deb Schildroth reported on the group's August meeting. They had a lengthy discussion about merging Chapter 125 substance abuse, Chapter 229 mental health, and Chapter 222 intellectual disability commitment provisions. Chapter 222 is rarely used anymore because there are other guardianship options; the group is checking to find out if there are any remaining Chp. 222 commitments. Chp. 125 also deals with IDPH and their handling of funding to substance abuse service providers, so

those provisions will need to be kept separately. The next meeting will focus on the role and responsibilities of judicial mental health advocates and whether they should be moved under some other agency or entity where there can be direct supervision, consistency of training, and consistency of job descriptions. There are also presentations from some of the mental health centers on the advocacy program planned.

Question: Has there been any discussion about detox treatment and who pays for it?

Deb responded that there has not, but she will take that question back to the workgroup.

Question: What is being done to require an assessment for a person before committal proceedings so that the judge can use that information to make a decision?

Deb responded that the group has talked about streamlining information into one consistent form and set of instructions. There is also an option for seeking information about other alternatives to commitment.

Question: Has the group considered if there should be substance abuse advocates?

Deb responded that there have been some discussions, although some of the substance abuse providers were not particularly supportive since substance abuse commitments are for a fairly short term compared to mental health commitments. They did talk about the 48-hour emergency holds which used to be available only on weekends and holidays, and now legislation has been passed that make them available anytime.

Diane Diamond commented that there are a significant number of cases where a person with an intellectual disability has a guardian who abuses or neglects then or becomes a perpetrator. In those type of cases, there should be provisions for who takes over supervision of the person.

Outcomes Workgroup – Rick Shults reported that the group is working on clearly defining what they want to measure. They have identified specific domains under which outcome measures would be grouped, and they went through a list of possible outcome measures, which they will need to pare down to those they believe to be most important. They will develop a set of recommendations for dashboard indicators. It is important for them to make sure we are not trying to gather too much information, which would be a burden on consumers as well as providers. He noted that there is a measure of employment that seems to be fairly well accepted, but it took a period of several years to develop it and get it to the point where it could be generally agreed upon.

Data Workgroup – Susan Koch-Seehase reported that the Data Workgroup has reviewed and discussed the different data collection and reporting systems that are currently being used. They recognize that there is a large investment in those systems,

so they do not recommend replacing them, but finding ways for the individual systems to communicate and share data. Their work will also be influenced by the work of the Outcomes Workgroup in terms of identifying what data is to be collected. The group also discussed the concept of data warehousing and the concern that data should not be collected unless it is going to be maintained (updated) and used.

Children's Workgroup – No report.

Workforce Workgroup – Has not yet met.

Continuum of Care Workgroup – Has not yet met. Rick Shults is going to be setting up regular meetings with a group of RCF representatives to look at business plans. Some of the work of that group could blend into the Continuum of Care Workgroup, but they will also be doing some things independently.

NEXT MEETING

The next MHDS Commission meeting is October 18, 2012 at the United Way Conference Center. It will be a joint meeting with the members of the Iowa Mental Health Planning and Advisory Council. Jack will work with Teresa Bomhoff and Connie Fanselow to plan the agenda.

PUBLIC COMMENT

No additional public comment was offered.

Jack Willey commented that he really appreciates the commitment of the Commission members and the many other people who come to the meetings every month, as well as the dedication of the DHS staff and Legislators.

The meeting was adjourned at 2:30 p.m.

Minutes respectfully submitted by Connie B. Fanselow.